

REMARKS

Claims 198, 203-204, 213-214, 216, 219-220, 222-223 and 241-243 are pending in the present patent application. Claims 1-197, 199-202, 205-212, 215, 217-218, 221 and 224-240 were previously canceled without prejudice. Reconsideration of pending claims 198, 203-204, 213-214, 216, 219-220, 222-223 and 241-243 is respectfully requested.

The Examiner did not fully consider the claim amendments made in Applicant's June 21, 2007 response in rejecting independent claims 198 and 216 under 35 U.S.C. §103(a).

In Applicant's response dated June 21, 2007 to the Examiner's office action dated March 21, 2007, Applicant amended independent claims 198 and 216 to add the limitation that the claimed continuous verification comprises "the **exchange of continuously changing messages**." Applicant pointed out that continuous verification comprising the **exchange** of the claimed **continuously changing messages** is not disclosed by the cited prior art. Applicant stated:

Applicant respectfully disagrees that the continuous verification of authentication, and the termination of operations if continuous verification of authentication is interrupted, as claimed in independent claims 198 and 216, is "old and well-known" as the Examiner contends.

The Examiner cites Lee (U.S. Pat. No. 5,657,689) to support the contention that the claimed continuous verification and interruption of operations if verification is terminated is known to the art. Applicant respectfully disagrees.

Lee discloses a system in which a geographically localized, predetermined signal is continuously or intermittently broadcast by a "secure unit" located at a particular location. A franking machine has a receiver for receiving the predetermined signal broadcast by the secure unit. Before the franking machine begins printing postage on a mail piece, the franking machine checks to see whether it is receiving the predetermined signal. If it is receiving the signal, the franking machine

carries out the printing operation. If it is not receiving the signal, it does not carry out the printing operation. The purpose of the system of Lee is to ensure that franking machines that are authorized for use at a particular location are not moved to another location. There is no suggestion in Lee that if the signal is lost after the printing operation is begun that the printing operation is terminated. Thus, although the predetermined signal may be broadcast continuously by the secure unit, to the extent there is any verification, it occurs just once during a printing operation: namely before the printing of a particular mail piece is begun. There is no further verification during the printing process, and no provision for interrupting the printing of a mail piece once printing has begun.

Further, the signal broadcast by the secure unit is a predetermined signal that is not changed during verification. By contrast, in the claimed invention, as amended, the continuous verification comprises the exchange of continuously changing messages (as disclosed, for example, on pages 39 to 44 of the specification). Such an exchange of continuously changing messages is not disclosed or suggested by Lee, or by any other prior art of record.

Because Lee does not disclose the continuous verification as set forth in independent claims 198 and 216, as amended, combining Lee with Cordery can not result in the claimed invention. Accordingly, the invention set forth in independent claims 198 and 216, as amended, is patentably distinct from the prior art of record. Applicant respectfully requests that claims 198 and 216, as amended, be allowed.

In the Final Office Action, the Examiner did not consider the limitation, added by Applicant by amendment, that the claimed continuous verification comprises the **exchange of continuously changing** messages. In the Examiner's "Response to Arguments," the Examiner states:

Response to Arguments

2. Applicant's arguments filed June 21, 2007 have been fully considered but they are not persuasive. Applicant argues, with respect to claims 198 and 216, as currently amended, that nothing in Lee (US 5,657,689) teaches, discloses or suggests "continuous verification and interruption of operations if verification is terminated."

3. Examiner respectfully disagrees and directs attention to Lee wherein "Operation of each franking machine is dependent upon a predetermined communication between the franking machine and the secure unit. The predetermined communication may comprise reception, by the franking machine of a predetermined signal from the secure unit. The **communication may be substantially continuous** or may be at predetermined time periods. For example, **the secure unit may transmit continuously** and the franking machine may be operated such that during each franking operation, prior to accounting for a postage charge for an item and prior to printing a franking impression on an item, the microprocessor of the franking machine carries out a check to determine that the predetermined signal transmitted by the secure unit is being received. **If the predetermined signal is being received the microprocessor continues with the franking operation otherwise if the predetermined signal is not received the microprocessor is inhibited from continuing** the franking operation (col. 3 ln 7-25) (emphasis added). Note that the verification is being transmitted either "substantially" continuously or "continuously" and that the "predetermined signal" is "not received" the operation is "inhibited from continuing" (i.e., interrupted, not inhibited from starting in the first place but inhibited from continuing).

As the Examiner points out and emphasizes, Lee discloses using a **predetermined** signal that is **broadcast** by the secure unit **continuously** or **substantially continuously**. Such a **continuously broadcast predetermined** signal **from** the secure unit **to** the franking machine does not constitute the claimed "**exchange of continuously changing** messages." There is no "exchange" of messages as claimed. Instead, there is a one-way broadcast from the secure unit to the franking machine. Further, there are no "continuously changing messages" as claimed. Instead, the secure unit broadcasts a continuous, **predetermined** signal.

The Examiner did not consider the limitation that the claimed continuous verification comprises "**the exchange of continuously changing messages**" in the Final Office Action. As pointed out by Applicant both in Applicant's June 21, 2007 response, and herein, such an exchange of continuously changing messages is not disclosed in the

prior art. Applicant respectfully requests that the Examiner reconsider the claims in light of that limitation, and issue a notice of allowance.

Lee Does not disclose continuous verification, only continuous broadcasting of a predetermined signal.

Applicant also respectfully disagree's with the Examiner's statement that Lee discloses continuous **verification** as claimed. Lee discloses the continuous **broadcasting** of a predetermined signal, but does not disclose continuous **verification**. Instead, passage cited by the Examiner expressly states that **verification** occurs only at certain specific points in during the franking operation, namely "**prior** to accounting for a postage charge for an item" and "**prior** to printing a franking impression on the item." There is no disclosure of continuous verification **during** the accounting or printing processes, only **before** each of those processes begins. Accordingly, the claimed continuous **verification** is not disclosed.

CONCLUSION

All pending claims are allowable over the prior art.

Because Lee does not disclose continuous **verification** comprising the **exchange** of **continuously changing** messages as set forth in independent claims 198 and 216, combining Lee with Cordery cannot result in the claimed invention. Accordingly, the invention set forth in independent claims 198 and 216 is patentably distinct from the prior art of record. Applicant respectfully requests that independent claims 198 and 216 be allowed. Further, Dependent claims 203-204, 213-21 and 219-220, 222-223 and 241-243 are dependent on independent claims 198 and 216, respectively, and contain all of the limitations of the respective independent claims as well as additional limitations. Accordingly, Applicant believes that these claims are allowable for the same reasons set forth with respect to independent claims 198 and 216. Applicant respectfully requests that dependent claims 203-204, 213-21 and 219-220, 222-223 and 241-243 be allowed as well.

Respectfully submitted,

THE HECKER LAW GROUP

Date: _November 28, 2007

By: 
Frank M. Weyer
Reg. No. 33,050

THE HECKER LAW GROUP
1925 Century Park East
Suite 2300
Los Angeles, California 90067
(310) 286-0377